REMARKS

Please note the fact that November 12, 2006, fell on a Saturday ensures that this paper is timely filed as of today, Monday, November 13, 2006 (the next succeeding day which is not a Saturday or Sunday).

In the Office Action dated May 12, 2006, pending Claims 15-42 were rejected and the rejection made final. An Amendment After Final was submitted, and an Advisory Action issued in which the rejection maintained. In response Applicants have filed herewith a Request for Continued Examination and have amended dependent Claim 41. Applicants intend no change in the scope of the claims by the changes made by this amendment. It should be noted these amendments are not in acquiescence of the Office's position on allowability of the claims, but merely to expedite prosecution.

Of pending Claims 15-42, Claims 15, 23, 28, and 30 are independent claims; the remaining claims are dependent claims. Claims 19-21 and 34-36 are found to be directed toward patentable subject matter and thus objected to for depending upon a rejected base claim, but allowable if rewritten in independent form. Claims 15-18, 23, 28, and 30-33 stand rejected as being unpatentable over U.S. Patent 6,185,312 to Nakamura et al. (hereinafter Nakamura ('312)) under 35 U.S.C. § 103(a). Claims 38-42 stand rejected as being unpatentable over Nakamura ('312) in view of U.S. Patent 6,393,196 to Yamane et. al. (hereinafter Yamane ('196)) under 35 U.S.C. § 103(a). The Examiner is respectfully requested to reconsider the rejections presented in the outstanding Office Action in light of the foregoing amendments and the following remarks.

Rejection of claims 15-18, 23, 28, and 30-33 under 35 U.S.C. § 103(a) over Nakamura ('312):

As best understood, Nakamura appears to be directed to an apparatus, method, and medium for embedding watermarks in MPEG-2 video. The invention receives the motion picture, decodes and splits the picture into unit picture numbers that contain frames in the Group of Pictures. Each unit picture, comprised of frame pictures, is embedded with the embedding information (the watermark). (Column 7, lines 25-58) According to the specification of Nakamura, this watermark information is interchangeable with the sub-information. (Column 14, line 61 to Column 15, line 3)

There is no teaching or suggestion in Nakamura to have a system to embed watermarks in the MPEG-2 video data. Thus, Nakamura clearly does not disclose the invention as set forth in the claims. Additionally, there is no suggestion or teaching Nakamura to disclose "embedding part or all of the additional data". (Claim 15, emphasis added) As shown above, the sub-information that the Office equates with the part of additional data is interchangeable with the watermark information that is embedded in the video data. Thus, although Nakamura uses the word "sub-information", this information is in fact not part of the additional data. There is no suggestion or teaching of embedding only a part or section of the watermark data or sub-information that is to be embedded into the data. Further, there is no suggestion or teaching Nakamura to disclose "extracting data for a small domain from the detected video frame and for buffering the data". (Claim 15, emphasis added) As already stated previously, Nakamura embeds unit pictures that consist of more than one frame with the

watermark information and further does not disclose or suggest processing the unit pictures into smaller blocks that are buffered.

The independent claims currently recite, *inter alia*, "embedding part or all of the additional information in said buffered small domain data without changing the length of the video data stream based on a determination whether the embedding of all the additional information will change the length of the video data stream and where the embedding of all the additional information is determined to change the length of the video data stream, embedding ½ of the additional data if the embedding of ½ does not change the length of the video data stream".

Notwithstanding the differences between the claims and Nakamura, the Examiner asserts the following on pages 4-5 of the outstanding Office Action:

It is noted Nakamura et al differs from the present invention in that it fails to particular disclose alternative embedding options where the embedding of all the additional information is determined to change the length of the video data stream. However, Examiner takes Official Notice that such embedding option based on the determination whether the embedding of all the additional information will change the length of the video data stream is notoriously well known in the art.

Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made, having the reference of Nakamura et al before him/her, to exploit the other available area of video frame (e.g. vertical and horizontal sync interval), in order to embed additional data yet not change the length of the video data stream.

In the outstanding Office Action, the Examiner's taking of Official Notice was improper as the Examiner failed to provide "substantial evidence" to support the asserted conclusion. In the Advisory Action, the Examiner attempts to rectify this by citing U.S.

Patent No. 6,799.246 to Wise et al., stating "[i]n particular, columns 108-109 teaches the concept of such well known technique of embedding additional information in the sync intervals of a frame." A review of the cited section of Wise et al., however, shows that Wise et al. does not teach what is disclosed in the claims.

With regards to the Examiner's rejection of the claims under § 103(a), Applicants respectfully submit that in order to establish a *prima facie* case of obviousness three criteria must be met. First, must be some suggestion or motivation to modify a reference or combine reference teachings, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. Second, the modification or combination must have some reasonable expectation of success. Third, the prior reference or combined references must teach or suggest all the claim limitations. MPEP § 2143.

By the Examiner's own admission Nakamura ('312) does not teach the claimed subject matter of "embedding . . . based on a determination whether the embedding of all the additional information will change the length of the video data stream and where the embedding of all the additional information is determined to change the length of the video data stream, embedding ½ of the additional data if the embedding of ½ does not change the length of the video data stream." The Examiner attempts to overcome this deficiency in the teachings of Nakamura ('312) by citing Wiese et al., which does not teach the limitations of the claims.

For the foregoing reasons, Applicants respectfully submit that claims 15-18, 23, 28, and 30-33 are allowable over Nakamura ('312). Applicants respectfully request that

the Examiner withdraw the rejection of claims 15-18, 23, 28, and 30-33 as being unpatentable over Nakamura ('312) under 35 U.S.C. § 103(a).

Rejection of claims 38-42 under 35 U.S.C. § 103(a) over Nakumura ('312) in view of Yamane ('196):

Claims 38-42 stand rejected as being unpatentable over Nakamura ('312) in view of U.S. Patent 6,393,196 to Yamane et. al. (hereinafter Yamane ('196)) under 35 U.S.C. § 103(a).

With regards to this rejection, claims 38-42 are dependent upon independent claims 15, 23, 28, and 30. Applicants respectfully submit that claims 15, 23, 28, and 30 are allowable over Nakamura ('312) as established above. Claims 38-42 are also allowable, then, for at least the same reasons as claims 15, 23, 28, and 30. Applicants respectfully request that the Examiner withdraw the rejection of claims 38-42 as being unpatentable over Nakamura ('312) in view of Yamane ('196) under 35 U.S.C. § 103(a).

Applicants graciously acknowledge that Claims 19-21 and 34-36 were indicated by the Examiner as being allowable if rewritten in independent form. Applicants reserve the right to file new claims of such scope at a later date that would still, at that point, presumably be allowable.

In summary, it is respectfully submitted that the instant application, including claims 15-21, 23, 28, 30-36, and 38-42, is presently in condition for allowance. Notice to the effect is hereby earnestly solicited. If there are any further issues in this application, the Examiner is invited to contact the undersigned at the telephone number listed below.

Respectfully submitted,

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